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SUBJECT: WEEKLY MEETING WITH PM, MARCH 13: SOFA/STRATEGIC FRAMEWORK NEXT STEPS, SECURITY, AND ELECTRICITY GENERATION

REF: BAGHDAD 00278

Classified By: Ambassador Ryan C. Crocker for reasons 1.4 b. and d.

Summary

11. (S) In a cordial meeting March 13 at Prime Minister Maliki's weekly security meeting with Ambassador Crocker and GEN Petraeus, Ambassador briefed Maliki on the dual-tracked, concurrent negotiation of the Status of Forces Agreement (SOFA) and the Strategic Framework (SF) by a technical experts team and by senior political leaders, respectively. Maliki confirmed his strong preference for holding the ICI ministerial in late May to avoid excessive travel in April. GEN Petraeus briefed the PM on recent successes against AQI and Shia extremists but noted that an up-tick in attacks by AQI to relieve pressure on AQI in Mosul was to be expected as Iraqi and Coalition operations there continue. Maliki agreed, and pointed out that AQI likely seeks to influence upcoming Congressional testimony by Ambassador Crocker and GEN Petraeus. GEN Petraeus also advised the PM on options for improved power generation, security issues in southern Iraq, use of Iraqi funding for the Commander's Emergency Response Program (CERP), and re-establishing and protecting the Central Bank of Iraq. End Summary.

SOFA/SF Way Forward

- 12. (S) Ambassador laid out for the Prime Minister the dual-track approach to the negotiation of the Status of Forces Agreement (SOFA) and the Strategic Framework (SF). The former would be negotiated by teams of technical experts led by deputy foreign minister Mohammad al-Haj Hamoud and Ambassador Robert Loftis; the latter had already been shared with the Prime Minister, the Presidency Council (President Talabani and Vice-Presidents Tariq al-Hashimi and Abdel al-Mahdi), and the KRG President, Massoud Barzani. (Note: These are the signers of the August Communiqu, aka the 3 1 1. End Note.) The SOFA talks should continue between Hamoud and Loftis and their teams while Strategic Framework talks take place at the deputy level.
- 13. (S) Ambassador called to Maliki's attention the distinction between the somewhat standard enduring elements of the SOFA, which the technical experts should be able to reach agreement on without too much difficulty, and the unique temporary elements of the SOFA, such as combat operations, detention authorities, and jurisdiction over contractors, which will be more difficult. He suggested to Maliki that it would be best to negotiate simultaneously the Strategic Framework at the 3 1 1 level and the SOFA's enduring elements at the expert level to prepare the atmosphere for dealing with the difficult aspects of the

SOFA. All the time, we must bear in mind that the two accords are closely linked.

14. (S) Maliki observed that negotiations were getting started later than he had envisioned and that more preparation would have been better. Regardless of that, work must begin as the negotiations, especially of combat operations, would be politically sensitive. He noted that such a document would require a national consensus for it to pass the Council of representatives and reported that he had already raised with cabinet names of delegates to the talks. Noting that he had planned on only one team for the negotiations, he mused that the format of the delegation(s) would have to change. Maliki commented that he was not aware previously that there would be two separate agreements. He then asked Ambassador if the political and economic spheres would be included in the Strategic Framework. After some discussion, he and Ambassador agreed that economic and political elements of the Strategic Framework should be integrated into the text vice included as annexes. Maliki stated that he would discuss with the Presidency Council the composition of a second team to negotiate the Strategic Framework.

Meetings Abroad

15. Ambassador encouraged Maliki to take full advantage of meetings April 16 in Brussels at NATO and the EU and on the 22 in Kuwait at the Neighbors Process conference. GEN Petraeus pointed out that MNSTC-I commanding general, LTG James Dubik, had briefed Maliki the previous day on his recent NATO visit. Ambassador also noted the value of the International Compact for Iraq ministerial taking place in Europe) an opportunity to engage Europeans to a greater

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extent in Iraq's progress. Maliki acknowledged the importance of these meetings, but expressed his dislike of traveling and concern about being absent from Iraq so often given the current situation. He stated that he thought AQI and Jaysh al-Mahdi Special Groups (JAM SG) were trying to destroy Iraq,s security and noted that he had asked Dr. Rubbaie and Baghdad Operations Center Commander GEN Abud to review the Baghdad security plan. (Note: In an earlier meeting between Ambassador and Deputy Prime Minister Barham Salih (ref. B), it was agreed to try to push the ICI ministerial to the latter half of May. End Note.)

Security Situation

- 16. (S) GEN Petraeus told Maliki that ISF and Coalition had killed a suicide vest coordinator and making progress against the AQI emirs (military commanders) and the southern Karkh IED organizer. (Note: Karkh is an area of central Baghdad west of the Tigris River. End Note.) GEN Petraeus noted that this recent upturn in violence to relieve pressure on AQI in Mosul was to be expected as Iraqi and Coalition operations continued in Ninewa Province. GEN Petraeus urged Maliki to allow LTG McCrystal to give Maliki a briefing on the situation, confiding that, at present, he was more worried about JAM Special Groups than about AQI. Maliki agreed, and then pointed out that AQI and SGs were aware of the upcoming Congressional testimony and likely sought to use increased violence before the hearings to influence politics in the United
- States and undermine the testimony of the Ambassador and GEN Petraeus. In particular, he conjectured that former regime elements in Syria were using their contacts in Iraq to foment increase violence before the hearings and suggested that Iran was working to influence tribes in southern Iraq.
- 17. (S) Referring to the situation in southern Iraq, Maliki noted that some politicians with ties to other countries were working to disrupt things. For that reason, Maliki said that he called for a Crisis Action Committee to review the

situation. GEN Petraeus expressed his concern about Iranian and JAM SG influence in the South, particularly in DhiQar and Muthanna. He noted that the Government of Iraq needed to support the tribes to counter the growing perception that Iran was running things in the South. Maliki took the point but made it clear he did not want armed community volunteers or Sahwas established in southern Iraq as has been the case in provinces such as Anbar. Rather than Sahwas, Maliki assessed that Tribal Councils would suffice in the South.

18. (S) GEN Petraeus observed that security operations in Kut had gone very well. He highlighted the very effective use of television by the Iraqi Security Forces in Kut to get the message out to the local population and keep the people informed about what was happening there.

Electricity

- 19. (S) GEN Petraeus advised Maliki that General Electric was serious about returning to Iraq and helping restore and improve the power generation and distribution grid in Iraq. GEN Petraeus noted that he recommended to the CEO of GE that they dispatch teams to Baghdad and Basrah. They want to re-establish business in Iraq. Maliki told GEN Petraeus that other companies had been presented to him, but he had wanted a company that had the stature of GE. He invited GEN Petraeus to join him for his next meeting with the Minister of Oil and the Minister of Electricity. GEN Petraeus agreed to attend. GEN Petraeus noted that while a single-source contract probably would be the best course of action in this case, the Ministry of Electricity should also hire legal experts who can evaluate contracts and quarantee Iraq gets full value from the contract. In response to Maliki's question, GEN Petraeus advised him that GE could do a project to generate electricity from gas now being flared in the oil fields but war not directly involved in oil production.
- 110. (S) GEN Petraeus stressed with Maliki the importance of cutting through Iraqi red tape and bureaucratic procedures and emphasized that the Ministry of Finance needs to have dedicated funding to support major projects, funds the Ministry of Electricity needs to purchase fuel oil. Due to programmed increases in power generation capacity, 500 million dollars of fuel oil would be enough to Generate a substantial increase in power this summer. Maliki took the point, and stated that he had told the Minister of Finance to establish a special fund to provide Ministry of Electricity

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what it needed. He added that he was now holding a weekly joint meeting with the Ministers of Oil and of Electricity. He noted that Iraqi companies and entrepreneurs are interested in investing in power generation.

Counter-Terrorism Bureau

111. (S) GEN Petraeus brought up the subject of the Counter-Terrorism law, noting that it had been with the Council of Ministers since 2 February. Maliki noted that the Counter-Terrorism bureau was in an extra-legal state, and he added that some of his political opponents would not support it. He hoped to have the Council of Ministers approve its legal establishment soon.

Central Bank of Iraq

112. (S) Maliki reported that the security situation at the Central Bank of Iraq was a mess following the fire that destroyed many records which was determined to be an inside job of arson (ref. bank fire). GEN Petraeus suggested that

the Iraqi Army (IA) must protect it. Maliki agreed, and also suggested relocating it to a parcel of land in the International Zone (IZ) or adjacent to it. GEN Petraeus concurred, adding that subsequently the IZ could be expanded to include the relocated CBI.

Commander's Emergency Response Program

113. (C) GEN Petraeus explained to Maliki that there was a pre-existing account and legal procedure that would allow the Government of Iraq to fund projects being executed by the U.S. military under the Commander's Emergency Response Program (CERP). Maliki seemed pleased and commented that he was open to the suggestion for Iraqi contributions to CERP. CROCKER